



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF ACCOUNTING

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M E M O R A N D U M

#07-17

TO: All Department & School Fiscal Officers

FROM: Trisha L. Neely, Director

DATE: June 1, 2007

SUBJECT: **FY 2008 FRINGE BENEFITS COSTS**

Charges for fringe benefits for **Fiscal Year 2008** are as follows (if there are any changes you will be promptly notified):

F.I.C.A. - EMPLOYER'S SHARE

The **Maximum Old Age Survivors Disability Insurance (O.A.S.D.I.)** withholding effective for the period July 1, 2007, through December 31, 2007, is based on earnings of \$97,500 at a rate of 6.2%. The earnings maximum for Medicare withholding effective for the period July 1, 2007, through December 31, 2007, is unlimited at a rate of 1.45%. Effective **January 1, 2008**, the employer rate is expected to remain 6.2% for O.A.S.D.I. and 1.45% for Medicare. The O.A.S.D.I. maximum earnings is **estimated** to be \$102,300 and the Medicare maximum earnings will be unlimited.

PENSION

The pension cost calculation rate for **FY 2008** is currently expected to be 16.58%.

HEALTH INSURANCE

Effective July 1, 2007, the State's contribution for eligible employees is attached. An eligible employee is one with three (3) months or more continuous full-time service.

WORKER'S COMPENSATION

The rate effective July 1, 2007, is 1.45% of payroll.

DEFERRED COMPENSATION MATCH

The rate effective July 1, 2007, is .20% of payroll.

UNEMPLOYMENT INSURANCE

The rate effective July 1, 2006, is 0.17% of payroll.

NOTE: All employer fringe benefits above will automatically be charged to budgetary accounts.

All payroll recordings (Object codes 1001-1199) are to be done on an EX form. For schools, all General Fund payroll appropriations 0101 through 0136, and 0138 will have employer fringe benefits charged to appropriation 0139. For all non-school agencies, salaries will be charged to appropriation 0137 and will have fringes charged to 0137. Therefore, **unless** payroll recordings are between schools' General Fund appropriations 0101 and 0136, and 0138, the EX form must also show recoding of all applicable fringe benefits between the payroll accounts being recoded.

TLN:eed

Attachment

2007 HEALTH CARE RATES

New Rates Effective July 1, 2007	Total Monthly Rate	State Pays	Employee/ Pensioner Pays Monthly
First State Basic Plan Administered by Blue Cross Blue Shield of Delaware			
Employee	\$437.14	\$437.14	\$0
Employee & Spouse	\$904.50	\$904.50	\$0
Employee & Child(ren)	\$664.54	\$664.54	\$0
Family	\$1,130.64	\$1,130.64	\$0
Aetna HMO Administered by Aetna			
Employee	\$452.24	\$437.14	\$15.10
Employee & Spouse	\$949.82	\$904.50	\$45.32
Employee & Child(ren)	\$690.94	\$664.54	\$26.40
Family	\$1,185.60	\$1,130.64	\$54.96
Blue Care Administered by Blue Cross Blue Shield of Delaware			
Employee	\$454.54	\$437.14	\$15.40
Employee & Spouse	\$952.20	\$904.50	\$47.70
Employee & Child(ren)	\$691.48	\$664.54	\$26.94
Family	\$1,188.48	\$1,130.64	\$57.84
Comprehensive PPO Plan Administered by Blue Cross Blue Shield of Delaware			
Employee	\$458.74	\$437.14	\$48.60
Employee & Spouse	\$1,007.42	\$904.50	\$109.92
Employee & Child(ren)	\$746.66	\$664.54	\$82.12
Family	\$1,259.38	\$1,130.64	\$127.74